

## **REAL ESTATE COMMISSION MEETING**

Heber M. Wells Building  
Second Floor - Room 210  
9:00 a.m.  
September 21, 2005

### **MINUTES**

#### **STAFF MEMBERS PRESENT:**

Derek Miller, Division Director  
Mark Fagergren, Education/Licensing Director  
Jon Brown, Enforcement Director  
Dee Johnson, Investigator  
Carlos Alamilla, Investigator  
Shelley Wismer, Assistant Attorney General  
Ron Kunzler, Assistant Attorney General  
Renda Christensen, Board Secretary  
Jennifer Eatchel, Real Estate Education Secretary

#### **COMMISSION MEMBERS PRESENT:**

Maralee Jensen, Vice Chair  
Bonnie Peretti, Commissioner  
H. Blaine Walker, Commissioner  
Doyle C. "Sam" Sampson, Jr.

#### **GUESTS**

Curtis Bullock  
Sarah Worbalow  
Steve Derring

The September 21, 2005, meeting of the Utah Real Estate Commission began at 9:00 a.m. with Vice Chair Maralee Jensen conducting.

### **PLANNING AND ADMINISTRATIVE MATTERS**

#### **Approval of Minutes**

The minutes for July 20, 2005 were approved as written.  
The minutes for August 17, 2005 were approved as written.

### **DIVISION REPORTS**

#### **INVESTIGATIONS REPORT** – Jon Brown

Mr. Brown reported in August there were 50 new written complaints logged, 31 new cases opened for investigation, 23 cases closed, leaving a total of 206 open cases. The CE Audits for the month showed 29 new cases opened, 23 cases closed, leaving a total of 124 open audit cases opened for investigation.

There was considerable discussion about the number of cases opened on continuing

education audits. Commissioner Sampson recommended if a person has had a case opened against them for failing the audit, they should be banned from any on-line renewals for the next 6 years (which would be 3 renewal cycles). The Commission and Division agree the fines and being published in the newsletter help curb others that may try to falsify their CE requirements. There is now a link on the website to show people what the actual Core Course certificates look like, so there should be no excuse on being confused. Commissioner Walker suggested putting a warning on the screen saying "Notice, this will be grounds for revocation of your license if you falsify your education."

Mr. Brown said Chuck Smalley has been out of the office with medical problems. His cases have been handled by Dave Mecham and Craig Livingston, and in some cases, Mr. Mecham almost has had to start over on the investigation because Mr. Smalley hasn't been able to fill in the details. Mr. Smalley handles timeshare registration, subdivisions registration, trust account audits, and is very good in investigating mortgage and real estate fraud.

#### DIRECTOR'S REPORT – Derek Miller

Director Miller introduced himself to the Commission, and gave a brief background on himself. He said that he, Mr. Fagergren, and Mr. Johnson would be leaving shortly to give a speech. During this time, Mr. Brown will be the Acting Director.

Director Miller is a graduate of J. Reuben Clark Law School at BYU and holds a Master of Public Administration degree from BYU. He has been Counsel for the U.S. House Transportation and Infrastructure Committee since 2002. Prior to that, he was with Arthur Andersen LLP and managed several real estate-related consulting projects, including reforming the FHA loan program, and implementing the HUD Enforcement Center and the Real Estate Assessment Center.

#### EDUCATION/LICENSING REPORT – Mark Fagergren

Mr. Fagergren told the Commission there is a backlog on scheduling for hearings, and currently the Division has hearings scheduled out until January. He asked the Commission if they would be willing to hold a second meeting in October and November with a longer agenda to help move the cases through the system. Dates were suggested and it was decided the additional hearings will be held on October 12, 2005 and November 3, 2005. Ms. Christensen will create new agendas and fax them to the Commission.

A motion was made and approved to have the Division continue holding the post-revocation hearings, and expressed their support of the Division Director's choice of holding these hearings in-house.

Mr. Fagergren brought up the topic of fractional sales. He said it takes as much time to complete a fractional sale as a regular sale, and the Division doesn't have a problem giving the same credit of 2 ½ points per sale. The Commission agrees with the Division on this matter.

Mr. Fagergren said the new Core Course is now available on DVD as well as VSH tapes.

A motion to go into an Executive Session was held from 10:15 a.m. to 11:05 a.m.

LICENSING HEARINGS

10:30 Greig Morrison – Applicant for License  
Requested to be rescheduled.

11:05 Karen J. Peavler – Application for Renewal  
Ronald Stephenson

11:36 Paul Dyche – Application for License

Review of Criminal Convictions List for Commission Consideration:

Mark Alder  
Melanie Andersen  
Tony Anderson  
Joseph Anderton  
Chad Armitstead  
David Ballstaedt, Jr.  
Jared Bean  
Brook Bernier  
Jolena Berry  
Sara Jane Brown  
Cindy Browne  
David A. Burnet  
Paul Butler  
Suzanne Bullock  
Galen Cronin  
Paula Falvo  
Holly Garnica  
Patrick Giblin  
Peter Goodro  
Natalie Grundy  
Robert Hall  
Cameron Hemphill  
Frank Hollingworth  
Steven Linde  
Misty Maki  
Sandy McClain  
Mark McGill  
Michael Parker  
Jayson Pavone  
Michelle Peckham  
Thomas Petersen

Alexandre Pommier  
Robyn Rieck  
Ryan Roeseler  
Ronald V. Satallante  
Deborah Schumacher  
Lynnette Sharples  
Richard L. Smith  
Merlina Stevens  
Kim Taylor  
Desiree Udseth  
Kevin Van Loon  
Joby Wright

A motion to go into Executive Session was passed, and was held from 12:12 p.m. to 1:05 p.m. This was a working lunch.

- 1:05 Michael Harris – Application for License  
David A. Reeve, Attorney
- 1:30 Boudicca Joseph – Application for License  
Ms. Joseph did not appear. Her application will be based on documents only.
- 2:00 Justin David – Application for License

#### OTHER BUSINESS

The Commission asked Ms. Wismer if they could delegate to the Division all of the cases that are on probation (or parole) at the time of the application. Ms. Wismer said the Commission may delegate to the Division the authority to review a class or category of applications for initial or renewed licenses.

Ms. Wismer suggested the Division might use what is called a “paper hearing” where the application and accompanying documents are used to make a decision instead of holding a hearing on the applicant. This process would require having a rule change. Mr. Fagergren suggested to have the statute changed to say a person who is still on probation could not apply.

A motion to go into a second Executive Session was made and held from 2:20 p.m. to 2:52 p.m.

#### RESULTS OF EXECUTIVE SESSION

##### Informal Hearings:

Grieg Morrison – Allowed to reschedule  
Karen J. Peavler – Granted on probation, pending broker notification  
Paul Dyche – Granted on probation, pending broker notification  
Michael Harris – Granted then immediately suspended until the end of probation.

Proof of broker notification delivered to Division.

Boudicca Joseph – Granted

Justin David – Granted on probation for the term of license period

Stipulations:

Shar Lynn Benson - Approved

Alda J. Lee - Approved

Alicia Dominguez Hodgson - Approved

Vann Larson - Approved

Bruce L. Armstrong - Approved

Walter J. Widmer - Approved

Hayven W. Dunn - Approved

Kim A. Novak - Approved

Harold Eward - Approved

Criminal Convictions List:

Mark Alder - Approved

Melanie Andersen - Approved

Tony Anderson - Approved

Joseph Anderton - Approved

Chad Armitstead – Approved

David Ballstaedt, Jr. – Schedule for hearing

Jared Bean - Approved

Brook Bernier - Approved

Jolena Berry – Approved

Sara Jane Brown - Approved

Cindy Browne - Approved

David A. Burnet – Schedule for hearing

Paul Butler - Approved

Suzanne Bullock – Approved

Galen Cronin - Approved

Paula Falvo - Approved

Holly Garnica - Approved

Patrick Giblin - Approved

Peter Goodro - Approved

Natalie Grundy - Approved

Robert Hall – Approved

Cameron Hemphill – Schedule for hearing

Frank Hollingworth - Approved

Steven Linde – Schedule for hearing

Misty Maki - Approved

Sandy McClain – Schedule for hearing

Mark McGill - Approved

Michael Parker - Approved

Jayson Pavone – Pending charges, wait for court documentscourt documents

Michelle Peckham - Approved

Thomas Petersen - Approved  
Alexandre Pommier - Approved  
Robyn Rieck – Schedule for hearing  
Ryan Roeseler - Approved  
Ronald V. Satallante - Approved  
Deborah Schumacher - Approved  
Lynnette Sharples - Approved  
Richard L. Smith – Schedule for hearing  
Merlina Stevens - Approved  
Kim Taylor – Schedule for hearing  
Desiree Udseth - Approved  
Kevin Van Loon - Approved  
Joby Wright - Approved

A motion was made and accepted to adjourn the meeting at 3:40 p.m.